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INTERVIEW

Viet Nam Has Potential to Become An "East Asian Tiger"

On October 26, the International Development Association (IDA) approved its first lending to Viet Nam since 1978. The two IDA credits, totaling $228 million, will help Viet Nam improve its primary education system and ailing transport network.

While Viet Nam has made strides in recent years to boost its economic development, this Southeast Asian country of 70 million people still has a long way to go, says David Dollar, a senior economist in the Bank's East Asia and Pacific Region. Dollar recently spoke to World Bank News about Viet Nam and its economic outlook. Excerpts follow:

WBN: Why is the World Bank resuming lending to Viet Nam after a 15-year hiatus?

Dollar: After an initial credit in 1978, IDA has not lent to Viet Nam. The chief reasons were Viet Nam's incursion into Cambodia, the large amount of military spending, and the rather massive distortions in the economy. Under these circumstances, IDA had no assurance that

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LENDING

World Bank Approves New Loans to Viet Nam

On October 26, the International Development Association (IDA) approved two credits to Viet Nam totaling about $228 million. A credit of SDR 49.6 million ($70 million) will support a primary education project while another credit of SDR 112.2 million ($158.5 million) will support highway repair.

The two credits have a significance far beyond the amounts of money or the projects involved, says Gautam Kaji, the Bank's vice president for East Asia and the Pacific. The credits are the first Bank

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Ruth Massey/UNDP

Woman sells fish at market along banks of Mekong River.

After years of upheaval, Cambodia is beginning to pick up the pieces. Schools, hospitals and roads are being rebuilt, and water and electricity are being restored. 2

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LENDING

After Years of Conflict, Cambodia Revives Hopes for Development

For decades, civil conflict and political upheaval have dashed Cambodia's chances of developing into a peaceful and prosperous nation. Barely half of Cambodia's 8.6 million people have access to health care, only 12 percent of the rural population has safe water to drink and electricity is, for many, a thing of the past.

But the recent United Nations-supported peace process has sparked hope that Cambodia may once again embark on the road to steady economic development. As part of its support for that process, the International Development Association (IDA) on October 26 approved a credit of SDR 45.2 million ($63 million) to help the country rebuild crumbling essential services.

"This credit is part of the international effort to see Cambodia through the peace process and get the country prepared for the eventual reconstruction of its shattered economy," says Arnaud Guinard, a senior urban economist in the Bank's East Asia and Pacific Region. "The funds will serve some, but not all, of Cambodia's needs, which are immense."

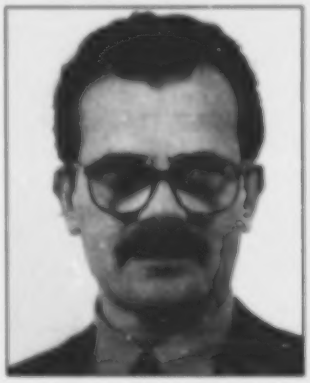
Because Cambodia's needs are so great, the emergency credit is "especially gratifying," says Gautam S. Kaji, the Bank's Vice-President for East Asia and the Pacific.

"After many years of difficulty, the people of Cambodia have taken the first steps toward creating a stable environment in which economic development can take place," says Kaji. "The World Bank is proud to offer its assistance at such a historic moment."

The credit marks the first IDA lending to Cambodia since the country joined the institution in 1970. IDA is the World Bank's affiliate that lends on concessional terms to the poorest countries.

The $63 million will help pay for imports needed to keep Cambodia's badly deteriorated services moving and critical economic production alive during the next 12 to 18 months. Because Cambodia has little cash to fund its services, the delivery and quality of those services are quickly deteriorating.

The bulk of the funds, some $38 million, will purchase a specific list of goods aimed at rehabilitating services in the agriculture, transport, health, education, power and water-supply sectors. The other $25 million will cover the cost of importing critical commodities, including fuel, spare parts and machinery.



Cambodia is a country that shows tremendous resilience.

—Arnaud Guinard

More than eight in every 10 Cambodians works in agriculture. And, despite the country's troubles, crop production has been able to grow in recent years, mainly because land is largely in private hands. But output still does not reach its potential partly because of a scarcity of fertilizers and a dilapidated road network. With help from the credit, though, rice farmers will receive fertilizers and other inputs while 100 tractors will help reclaim arable cropland. Equipment and materials will also boost production in fish, livestock and rubber.

Cambodia's transportation network, which runs at less than half of prewar capacity, will receive help from the credit. Several bridges and 60 kilometers of road will be repaired and spare parts will support cargo-handling equipment at Phnom Penh and Sihanoukville.

Health services will receive a shot in the arm under the credit in the shape of imports of medicines and medical equipment like mobile x-ray machines, sterilizers and operating tables. New textbooks and the materials for making textbooks will be made available to the country's school system. Also, Cambodia's electricity and water supply will receive new equipment to repair production.

Despite its tragic history and long list of troubles, Guinard says Cambodia fares better than some Asian countries that have not suffered the same kind of devastation. Much of the success lies in the partial economic reforms launched in 1991. Economic output rose from 1.2 percent in 1990 to 7.6 percent in 1991 before dipping slightly to a still impressive 7 percent in 1992.

"Cambodia is a country that shows tremendous resilience because despite the traumatic events of the past 20 years, it has been able to survive and manage," he says. Still, Cambodia is a "fragile" country, says Guinard. In the next two to three years, Cambodia will need a lot of assistance from the international community to rehabilitate its agriculture, infrastructure and social services.

But the greatest need, he says, is building up Cambodia's human resources. Although a few of the country's skilled professionals are trickling back to their homeland, Cambodia still lacks the staff needed to guide economic development in coming years. Only after it rebuilds its human capacity, can the country move from rehabilitation to "reconstruction."

"Some people optimistically say Cambodia will be rebuilt tomorrow but it will take longer than that. Just rebuilding the country will take a decade or two. After all, you have a generation in Cambodia that is traumatized and a country that is suffering psychologically," he says. □

World Bank's First Lending to Viet Nam in 15 Years Will Help Rebuild Schools and Roads

VIET NAM, *from page 1*

lending to Viet Nam since 1978.

"These two loans should be seen as a strong vote of confidence by the international community in Viet Nam's economic reform program, and also as a sign of willingness to help Viet Nam attain its development goals," says Kaji.

An Immediate Need

The primary education project will improve the quality of education and management in grades one through five nationwide, while repairing and expanding dilapidated school buildings in some of the poorest regions of the country.

"Schools in Viet Nam are some of the neediest in the world in terms of problems with over-crowding and structural disrepair," says Kathryn Johnston, the Bank's task manager for the project. "One of the most urgent and obvious needs is upgrading primary schools."

To address this need, the project includes repairing, expanding or replacing classrooms in the five major cities of Danang, Haiphong, Hanoi, Hue and Ho Chi Minh. It will then do the same in selected areas of the Mekong Delta and in mountainous areas populated by ethnic minorities. More than 10,300 classrooms will be repaired or added to existing facilities and some 12,000 latrines and safe water supply systems will be provided.

"It's important to stress that this is only the beginning of an effort on the part of the donor community to assist Vietnamese primary education," says Johnston.

The Technology Gap

The highway rehabilitation project will help address the urgent need to upgrade the country's transportation infrastructure. Only about 10 percent of the country's roads are paved, and a recent survey of that 10 percent found that almost 40 percent were in poor or very poor condition.

"Pavements are generally uneven and cracked and street or highway widths are irregular, causing hazardous traffic conditions," says Sigfus Sigfusson, the Bank's task manager for the highway project. "Heavy bicycle and other slow-moving traffic, commercial stands along highways and, in some cases, farmers using stretches of road to dry their rice, exacerbate the situation and cause serious bottlenecks."

The project will address those problems on Highway 1-A, a two-lane highway that is the country's main north-south link. It runs more than 2,100 kilometers from the Chinese border in the north through the Mekong Delta in the south. The project will repair the highway's most heavily traveled sections, one stretching between Hanoi and Vinh and another between Ho Chi Minh City and Can Tho.

Besides overlaying pavement, the project will raise embankments in areas subject to frequent flooding, introduce traffic safety features and widen and pave shoulders for bicycle traffic. Repairs are designed to last 10 years and will accommodate a 15 percent annual growth rate in traffic during those years.

The project will also provide new ferries and repair old ones at Can Tho and My Thuan, two of the busiest river crossings along Highway 1A.

Up-to-date equipment for road construction and maintenance, and the training and technical assistance needed for the equipment will also be provided. □

Population (1993): 70 million
Annual Population Growth Rate: 2.2 percent
Annual Per Capita Income: Below $200
Life Expectancy (1990): 63 Years
Average Births Per Woman: 3.7
Main Exports: Petroleum, Rice, Seafood
Note: Figures are from 1992 unless otherwise indicated.

READEX
FICHE

Households Are "Not Living in Abject Poverty"

DOLLAR, *from page 1*

its resources would be fruitfully applied. Viet Nam has now withdrawn its forces from Cambodia, demobilized nearly 500,000 troops, and from all available evidence, substantially reduced its military spending.

Viet Nam has also undertaken a series of impressive moves toward turning from a socialist to a market economy. It is therefore appropriate for IDA to resume lending.

WBN: How much time and money will it take for Viet Nam to catch up with its successful East Asian neighbors like Thailand?

Dollar: It's not really an issue of how much money they need. It's more a question of time because even if they do very well, it will inevitably take a couple of decades to catch up with East Asian tigers like Thailand that are much further along the path of industrialization and development.

One lesson Viet Nam has taught development experts is that good policies are more important than money. Viet Nam has been reforming its economy for several years without getting much aid and has still managed to grow by 7 percent per year. With financial assistance, Viet Nam could grow even faster than that.

WBN: Why are these first two credits to Viet Nam aimed at supporting development of primary education and transport?

Dollar: These are only the first two of what will be many credits to Viet Nam, so these are not the only sectors we plan to address. These two loans will help the Vietnamese government play its most important role-shifting the centrally planned economy to a market system by building up the country's human and physical infrastructure.

First, the primary education credit addresses the most basic building block of human resource development. Viet Nam will tackle problems in the delivery and quality of schooling.

Second, many of the country's roads and bridges are dilapidated and cannot support the growing economy's increasing traffic. With help from the credit, Viet Nam will rehabilitate two important two-lane stretches of highway that go from rural areas to main urban centers.

WBN: What kind of shape is Viet Nam in, compared to its neighbors or other developing countries with similar income levels?

Dollar: Viet Nam is one of the poorest countries in the world, with an annual per capita income somewhere below $200. That level of poverty means that the country inevitably has some of the health, sanitation and other kinds of problems associated with low income.

But given that Viet Nam is very poor, it actually has fewer problems than other countries with similar per capita incomes. Households have few material possessions but they are not living in abject poverty. In most cases, they have enough food to eat, they are in relatively good health, and they have access to primary schools and health facilities.

In other words, Viet Nam looks good for a country that has only a $200 per capita income. Income distribution is not as skewed as it is in other developing countries, and the government has made

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Ruth Massey/UNDP

Ruth Massey/UNDP

Top: Paddy workers bag rice harvested from the Mekong Delta. Bottom: Rush hour in Ho Chi Minh City. One IDA credit will give Viet Nam's economy a boost by rebuilding roads that connect the countries food-producing rural areas to major cities.

Development Agenda

Date	Event	Sponsor	Location	Telephone
OCTOBER				
25-29	Consultative Group on International Agricultural Research's *International Centers Week*	CGIAR	Washington	(202) 473-8913*
25-Nov. 12	General Conference	UNESCO	Paris	(33-1) 4568-1000
NOVEMBER				
2-3	18th Annual Meetings of the Board of Governors	Islamic Development Bank	Bangui, Central African Republic	(926-2) 636-1400
3	Global Environment Facility Replenishment Meeting	World Bank	Paris	(33-1) 4069-3016
4-6	Global Environment Facility Governance Meeting	World Bank	Paris	(33-1) 4069-3016
5	Occupied Territories Ad Hoc Committee Meeting	World Bank	Paris	(33-1) 4069-3016
6-25	Conference, 27th Session	Food and Agriculture Organization of the United Nations	Rome	(39-6) 57971
9-10	Viet Nam Donors' Meeting	World Bank	Paris	(33-1) 4069-3016
17-19	Asia - Pacific Economic Ministers Meeting	Asia-Pacific Economic Cooperation	Seattle, WA	(202)-647-2030*
18-20	Output Decline in Eastern Europe—Prospects for Recovery?	International Institute for Applied Systems Analysis	Laxenburg, Austria	(43-2236) 71-521
21-23	India Forum	World Economic Forum	New Delhi	(41-22) 736-0243
21-25	International Conference on the State of Education and Development	Association for the Advancement of Policy, Research and Development in the Third World	Cairo	(202) 723-7010*
22-23	Kenya Consultative Group Meeting	World Bank	Paris	(33-1) 4069-3016
28-Dec.2	World NGO Forum 1993	NGO Committee on the Family	Malta	(0943-1) 5138687
29-30	Fifth Annual Meeting of the Governing Council	Common Fund for Commodities	Amsterdam	(31-20)664-6409
30-Dec. 1	Conference on Hunger	World Bank	Washington	(202) 473-8443*

Editor's Note: *Development Agenda* is a feature that alerts journalists to key news events in the field of economic development. Journalists should contact sponsoring agencies for details about each event. Asterisk (*) indicates telephone number is in the U.S.A. All other telephone numbers include country and city codes.

Viet Nam Could Double its Income

DOLLAR, *from page 4*

a long term commitment to health and education that has paid off in relatively good social indicators. But I stress the word "relatively." Any country with a per capita income of only $200 has serious health and education problems that need to be addressed.

WBN: What must Viet Nam do to develop a stronger economy?

Dollar: Viet Nam is already going in the right direction. There is no question about that.

Since 1989, Viet Nam has been moving toward a market economy. The country has accomplished a lot and is well along the road to transition. Already, two-thirds of the country's output is produced by the private sector. The government has returned land to farmers and has liberalized prices. The country has a new constitution which explicitly recognizes private property and the role of the private sector in the economy.

In coming years, Viet Nam needs to focus on developing a legal framework for a market economy and building up the financial sector which is very weak. They have liberalized the system for foreign trade and investment but there is a lot more that can be done about imports, exports, and foreign investment. Their export of labor-intensive goods is growing, but if that can be doubled, it would have an great impact on creating jobs, raising incomes and reducing poverty.

WBN: What are Viet Nam's assets and its challenges?

Dollar: Viet Nam's main asset is its people. Some say that Viet Nam is a country rich with natural resources. But relative to its population of 70 million, it's not rich in natural resources.

Because its main asset is its people, Viet Nam has to get rich on the basis of its human resources. That has been a very successful recipe for development in East Asia. Look at economies like the Republic of Korea. These are places that have developed on the basis of human resources. So, the potential is clearly there.

One challenge for Viet Nam is to make development broad-based across the entire country. Some pockets in the south are much more highly developed than the rest of Viet Nam, for example. But the main challenge for Viet Nam is to deal with the more than 1 million people entering the labor force every year. These young people, born in the 1970s, are now coming of age in the labor market. In other words, Viet Nam needs to create 1 million jobs a year to employ those young people. That's a big challenge.

WBN: Where will Viet Nam be in 10 years?

Dollar: If Viet Nam continues its strong reform program, it could double its per capita income in a decade. This would have a large impact on peoples' lives and shift large numbers of people out of poverty. Viet Nam would begin to be a significant economic force in the Southeast Asia region.□

Seragelding Talks About Action Against Hunger

World Bank Vice President for Environmentally Sustainable Development Ismail Serageldin will describe the institution's efforts to reduce hunger at a luncheon sponsored by the Society for International Development in Washington on Friday, November 5.

The luncheon will take place at the Sphinx Club at 1315 K Street N.W. in Washington, D.C. from noon to 2 p.m.

For information about Mr. Serageldin's talk or about purchasing tickets for the luncheon, contact Judy Nicholson at (202) 473-8443.

COSTA RICA A $22 million World Bank loan will help Costa Rica improve and expand health care services for the poor, especially in remote rural areas.

ECUADOR A plan to increase mining production while protecting the environment will be supported by a $14 million World Bank loan.

MOLDOVA A $60 million World Bank loan will support an economic reform program. The loan will help pay for imports such as medical supplies and heating fuel.

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LENDING

Mongolia on the Way to Recovery

After several years of rapid economic decline, Mongolia may see the first signs of growth in 1994, says Carlos Elbirt, a senior economist in the World Bank's East Asia Region. Mongolia's drop in output is slowing down, inflation is falling and exports are on the rise.

Carlos Elbirt

But two obstacles still lie in the way of Mongolia's road to recovery — keeping the country's 2.2 million people warm in the coming winter and making sure economic output stays alive. A credit of SDR 14.2 million ($20 million) from the International Development Association (IDA) will help Mongolia do both.

The IDA credit, approved October 29, will mainly help Mongolia pay for imports and technical assistance needed to keep coal and copper output thriving during the next 12 to 18 months. It will also improve Mongolia's railways, provide high-grade lubricants for tractors and trucks and will buy newer, more environmentally friendly gas pumps.

"Coal is the source of heat and electricity in Mongolian cities," says Elbirt. "By boosting coal production, this credit will help the average Mongolian keep warm and industries going. And for a country where temperatures often dip down to 40 degrees below zero Celsius heat is crucial."

Mongolia's large copper industry, which accounts for half of the country's export earnings, will also receive assistance from the credit. Prices for copper have dropped worldwide, so Mongolia needs to boost production to make up for the lost income.

Overall, the credit aims to buoy Mongolia's economy while the country prepares more long-term investment plans, says Elbirt. "In every transition from centrally planned economies to market systems, you have to take care of critical needs while specific investment plans are made."

Coal and Copper

Mongolia's two largest coal mines, which together produce two-thirds of the country's coal, will benefit from technical assistance financed by the IDA credit. The assistance will aim to improve planning in the sector and the operation and management of mines.

Hongjoo Hahm

Material and spare parts will also support copper production, especially the Erdenet mine which yields some $200 million a year in hard currency earnings. Metallurgical testing will identify ways to improve the mine's copper grades. The technical assistance will also modernize its accounting systems and review the most crucial of the operation's environmental impact.

By assisting coal and copper, the IDA credit will support Mongolia's economic reform effort aimed at raising the country's average annual income of below $500. The broad-ranging reforms,

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Prices for most foods rose between July and September, but prices for some raw materials plunged. **2**

New reports on the former Soviet Union focus on women's role in development, transportation sector reforms and economic statistics. **6**

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COMMODITY REPORT

Prices Continue Slide in Third Quarter of 1993

The average price of commodities other than fuel slipped 0.7 percent between June and September, mostly because industries were in need of fewer raw materials during the quarter, according to the World Bank's International Trade Division.

The economic recession resulted in a drop in demand for timber. Prices for the commodity plunged 26.1 percent in the third quarter of 1993. In Japan, the price of Malaysian logs fell sharply, partly because of predictions that imports from Sabah would be adequate throughout 1993. In Europe, demand for logs stagnated, causing the price of imported Cameroonian logs to drop. Meanwhile, prices for Malaysian sawn wood increased only marginally in Europe.

Weak economies in Japan and Europe also put downward pressure on prices for rubber from July through September.

The average price for metals and minerals fell 2.3 percent last quarter.

Copper prices dipped to their lowest level since the mid-1980s. Weak economies around the world resulted in sluggish demand. In response to the lower prices, traders holding large stocks sold large quantities of copper on the London Metals Exchange, raising exchange stocks to a 10-year high, resulting in even more depressed prices.

Excess supplies of nickel drove prices downward throughout the third quarter of 1993 to a record low in real terms. Market analysts predict no recovery in prices in the near term.

Prices for lead and zinc have also declined during the quarter. But stocks are being drawn down, production is off, and refining is steady. As a result of these and other market conditions, some marginal operations may shut down, helping reduce the downward trend in prices for these metals.

Some metal prices rose during the quarter. The prices of steel products climbed 3 percent, but the price rise could slow because demand in China has been weakening. Meanwhile, tin prices recovered in October.

While prices for materials used by industry generally fell during the third quarter, prices for foods posted an overall 11.5 percent gain. A 25 percent surge in beverage prices led the gain.

Coffee prices rose because of an anticipated reduction in supplies stemming from a new "export retention program," which has just gone into effect.

Three years of a global deficit in cocoa production and modestly rising consumption have helped lift prices. At $1,270 a ton, the third-quarter average price for cocoa was 14 percent higher than the second-quarter price.

A recovery in tea production and lower demand for imports in some countries have pushed world prices downward for this commodity. Prices are expected to remain low until demand rebounds.

Smaller orange crops in the Southern Hemisphere caused the prices of fresh oranges to soar 26 percent last quarter. Frozen concentrated orange-juice prices jumped 134 percent between February and August because of lower production in Brazil and Florida.

Robust economic growth in a number of Asian countries is changing people's eating habits. Diets often include beef, resulting in a boost in beef imports in the region.

Shrimp prices have risen as exports from China have dropped off. Production has also dropped off in Southeast Asia and Latin America.

Prices for soybeans and soy products also rose during the third quarter of 1993, mainly because flooding in the midwestern United States damaged crops and because drought delayed planting in Argentina. Average prices for soybean meal rose 13.3 percent, soybeans rose 11.7 percent and soybean oil rose 8.8 percent.

Global production of groundnuts has hit a 30-year low, resulting in reduced supplies, lifting prices since June.

But a continuous increase in production is reducing prices for palm oil. World production is expected to rise 8 percent in 1993-94 and another significant increase is expected for 1994-95.

Coconut-oil prices have also fallen during the past two months because of ample supplies.□

Y. Hodar

Sri Lankan woman harvests tea, a commodity that has dropped in price.

COMMODITY PRICE DATA

Commodity	Unit	QUARTERLY AVERAGES Jan-Mar 1993	Apr-Jun 1993	Jul-Sept 1993	MONTHLY AVERAGES July 1993	August 1993	September 1993
BEVERAGES							
Cocoa	¢/KG	100.3	99.8	114.2	106.0	109.7	126.8
Coffee: *Robusta	¢/KG	102.7	101.1	125.2	108.9	128.9	137.8
*Brazil	¢/KG	144.1	123.4	157.7	145.0	161.5	166.6
Oth Mild	¢/KG	147.5	134.2	168.7	158.3	169.6	178.1
Tea	¢/KG	211.5	172.7	171.2	164.7	166.6	182.3
CEREALS							
Rice Thailand	$/MT	274.9	235.7	231.3	230.0	230.0	234.0
Grn Sorghum	$/MT	95.0	92.2	97.3	96.2	98.5	97.2
Maize	$/MT	95.2	97.3	100.8	101.3	100.3	100.9
Wheat: Canada	$/MT	183.8	169.9	192.1	180.3	194.7	201.3
*U.S.	$/MT	150.6	136.2	117.3	116.8	119.6	115.7
MEAT							
Beef: U.S.	¢/KG	242.3	267.0	278.6	282.0	280.4	273.4
*Lamb	¢/KG	266.0	298.7	300.4	302.6	288.0	310.6
SUGAR							
World	¢/KG	20.1	24.5	21.0	21.3	20.6	21.0
FRUITS							
Bananas	$/MT	589.8	471.6	339.5	350.7	316.9	350.8
Oranges	$/MT	401.0	383.6	484.2	404.4	443.4	604.9
FATS & OILS							
Palm Oil	$/MT	414.3	373.0	356.7	362.0	356.0	352.0
Coconut Oil	$/MT	436.7	418.7	446.3	460.0	455.0	424.0
Groundnut Oil	$/MT	611.3	673.3	825.3	773.0	858.0	845.0
*Soybean Oil	$/MT	438.3	452.3	492.3	505.0	483.0	489.0
Soybeans	$/MT	237.7	245.0	273.7	287.0	274.0	260.0
Copra	$/MT	278.0	275.0	299.0	303.0	306.0	288.0
Groundnut Meal	$/MT	153.0	152.3	182.7	167.0	194.0	187.0
Soybean Meal	$/MT	203.3	195.3	221.3	227.0	223.0	214.0
FISHERIES							
*Shrimp	¢/KG	1,148.2	1149.6	1098.3	1095.7	1080.3	1118.8
*Fish Meal	$/MT	395.3	352.3	356.7	356.0	361.0	353.0
FIBERS							
Cotton: A Index	¢/KG	131.7	132.4	123.8	127.5	122.4	121.7
*U.S.	¢/KG	134.2	133.3	119.6	128.1	115.6	115.1
Jute	$/MT	260.0	260.0	260.0	260.0[E]	260.0[E]	260.0[E]
*Sisal	$/MT	550.0	605.0	660.0	620.0	680.0	680.0
*Wool	¢/KG	312.5	290.8	280.4	0.0[B]	287.9[G]	272.8[G]
RUBBER							
RSS NO.1:U.S	¢/KG	105.3	96.8	96.8	95.5	96.7	98.2
*Singapore	¢/KG	86.9	80.9	82.2	81.5	83.2	81.9
METALS & MINERALS							
Copper	$/MT	2,207.3	1865.9	1912.2	1927.2	1947.2	1861.9
Tin: Malaysia	¢/KG	567.9	535.4	472.9	494.8	480.5	443.6
Nickel: LME	$/MT	5,980.3	5755.8	4703.6	5036.2	4721.8	4352.9
*Free Mkt	$/MT	6,023.0	5785.7	4744.6	5036.0	4746.5	4451.1

COMMODITY PRICE DATA

Commodity	Unit	QUARTERLY AVERAGES Oct-Dec 1992	Jan-Mar 1993	Apr-Jun 1993	MONTHLY AVERAGES July 1993	August 1993	September 1993
METALS & MINERALS (cont'd)							
Aluminum: LME	$/MT	1,186.6	1132.6	1163.2	1202.1	1172.1	1115.4
*Free Mkt	$/MT	1,269.2	1198.1	1225.8	1261.4	1238.2	1177.7
Lead	¢/KG	41.9	40.7	38.4	38.8	38.8	37.6
*Silver	¢/TOZ	365.7	426.3	467.2	503.7	480.6	417.2
*Gold	$/TOZ	329.5	360.4	375.4	392.2	378.8	355.3
Zinc: *U.S.	¢/KG	109.3	103.0	95.8	99.4	94.5	93.5
LME	¢/KG	104.3	97.0	89.5	92.8	88.4	87.4
Iron Ore	$/MT	28.1	28.1	28.1	28.1	28.1	28.1
Steel: *Rebar	$/MT	340.0	346.7	360.0	360.0	360.0	360.0
*Merch Bar	$/MT	316.7	363.3	403.3	400.0	410.0	400.0
*Wire Rod	$/MT	390.0	396.7	406.7	410.0	410.0	400.0
*Section	$/MT	336.7	346.7	373.3	370.0	380.0	370.0
*Plate	$/MT	433.3	443.3	450.0	450.0	450.0	450.0
*HR Coilsheet	$/MT	350.0	370.0	390.0	390.0	390.0	390.0
*CR Coilsheet	$/MT	430.0	460.0	490.0	490.0	490.0	490.0
*Galvan Sheet	$/MT	510.0	546.7	580.0	580.0	580.0	580.0
ENERGY							
Crude Oil: *Official	$/BBL	17.1	17.3	17.0	17.1	16.9	16.9
*Spot	$/BBL	16.2	16.4	14.6	14.8	14.8	14.2
Coal: *Australia	$/MT	32.3	31.0	31.0	31.0	31.0	31.0
*U.S.	$/MT	38.0	38.0	38.0	38.0	38.0	38.0
TIMBER							
Logs: *Cameroon	$/CM	315.5	320.7	301.2	300.0	295.2	308.4
Malaysia	$/CM	336.5	483.3	381.7	430.0[E]	375.0[E]	340.0[E]
Sawnwood:*Malaysia	$/CM	500.1	508.1	511.1	508.4	511.9	512.9
*Ghana	$/CM	484.7	523.2	533.9	531.2	529.5	540.9[E]
*Plywood	¢/SH	608.1	745.1	688.3	696.2	703.9	664.9
*Woodpulp	$/MT	454.6	441.5	407.9	412.5	405.5[R]	405.5
FERTILIZERS							
Phosphate Rock	$/MT	33.0	33.0	33.0	33.0[R]	33.0	33.0
*UREA	$/MT	108.7	105.0	101.7	103.0[E]	102.0[E]	100.0[E]
*TSP	$/MT	118.1	107.5	106.7	105.1	107.5	107.5
*DAP	$/MT	123.1	119.4	124.8	120.7	123.6	130.1
*Potassium Chloride	$/MT	109.0	107.8	107.5	107.5	107.5	107.5
SELECTED PRICE INDICES (1990=100)[C]							
Agri. Food		90.4	85.9	91.3	89.3	90.7	94.1
Fats and Oils		108.4	104.6	113.3	115.5	114.3	110.0
Agri. Non-food		88.9	86.2	84.2	84.6	83.9	84.2
Agri. Timber		160.0	229.8	181.4	204.5	178.3	161.6
Metals and Minerals (excl. steel)		81.5	75.3	74.8	75.9	75.4	73.1
Steel Products		85.5	90.8	96.1	96.0	96.6	95.8
33 Selected Commodities (excl. petroleum and steel)		92.1	92.6	91.1	92.2	90.8	90.3

A: Not Available; B: No Quotation; E: Estimate; G: Average for less than period indicated; N: Nominal; R: Revised; *: Not included in index. Journalists may obtain more detailed information about commodities by writing to the World Bank, International Trade Division, Room S-7053, Washington, D.C. 20433, U.S.A.

Date	Event	Sponsor	Location	Telephone
NOVEMBER				
4-6	Global Environment Facility Governance Meeting	World Bank	Paris	(33-1) 4069-3016
5	Occupied Territories Ad Hoc Committee Meeting	World Bank	Paris	(33-1) 4069-3016
6-25	Conference, 27th Session	Food and Agriculture Organization of the United Nations	Rome	(39-6) 57971
9-10	Viet Nam Donors' Meeting	World Bank	Paris	(33-1) 4069-3016
17-19	Asia-Pacific Economic Ministers Meeting	Asia-Pacific Economic Cooperation	Seattle, WA	(202)-647-2030*
18-20	Output Decline in Eastern Europe—Prospects for Recovery?	International Institute for Applied Systems Analysis	Laxenburg, Austria	(43-2236) 71-521
21-23	India Forum	World Economic Forum	New Delhi	(41-22) 736-0243
21-25	International Conference on the State of Education and Development	Association for the Advancement of Policy, Research and Development in the Third World	Cairo	(202) 723-7010*
22-23	Kenya Consultative Group Meeting	World Bank	Paris	(33-1) 4069-3016
28-Dec.2	World NGO Forum 1993	NGO Committee on the Family	Malta	(0943-1) 5138687
29-30	Fifth Annual Meeting of the Governing Council	Common Fund for Commodities	Amsterdam	(31-20)664-6409
30-Dec. 1	Conference on Hunger	World Bank	Washington	(202) 473-2475*
DECEMBER				
2-4	Int'l Symposium on Privatization	World Bank, et al.	Nice, France	(33) 93-97-1983
6-10	General Conference, Fifth Session	UNIDO	Vienna	(0943-1) 21-1310
7-8	Mozambique Consultative Group Meeting	World Bank	Paris	(33-1) 4069-3016
9-10	Zambia Consultative Group Meeting	World Bank	Paris	(33-1) 4069-3016
12-17	Conference on AIDS	World Health Organization	Marrakech, Morocco	(212) 229-5325*

Editor's Note: *Development Agenda* is a feature that alerts journalists to key news events in the field of economic development. Journalists should contact sponsoring agencies for details about each event. Asterisk (*) indicates telephone number is in the U.S.A. All other telephone numbers include country and city codes.

Mongolia's Economy May Resume Growth In 1994

MONGOLIA, *from page 1*

which kicked off in 1990, saw prices liberalized, a privatization plan put in place, and legal and institutional reforms introduced.

The reforms have helped Mongolia meet its two goals of stopping economic decline and harnessing the rise in inflation. In 1993 alone, inflation fell from about 400 percent to the current 100 percent. Also, Mongolia's output slowed from a decline of 9.9 percent in 1991 to a 7.6 percent drop in 1992 and to about a negative 2 percent this year. Exports are now growing.

"If the reform program continues, economic growth will resume in 1994," says Elbirt.

That recovery may come from the fact that Mongolia has enjoyed the advantage of being "one step ahead" of many countries in the region in shaking off its centrally planned economic system, says Hongjoo Hahm, an economist and country officer in the Bank's East Asia Region.

"Mongolia has been the first country in the region to launch a wide range of reforms and to pursue a program of structural adjustment," says Hahm. "Given its strengths, it is likely that Mongolia will also be the first to see growth."

Mongolia's comeback may surprise some whose image of the country is outdated. But Hahm says Mongolia has a lot working in its favor, including an industrial base that is producing products ranging from cashmere and leather goods to molybdenum and gold.

"Mongolia is much more advanced than many people think," says Hahm.□

PUBLICATIONS

Just Published: New Reports on FSU

As the 15 states of the former Soviet Union (FSU) evolve from centrally planned systems toward market economies, the policymakers and analysts there continue to seek new, reliable information that could help the transition.

To meet the need for solid data, the World Bank has in the past year published a series of comprehensive reports on the 15 FSU economies. Two of the three latest *Studies of Economies in Transformation* focus on transport strategies in Russia and the role of women in rebuilding the Russian economy. The third study is an updated edition of a statistical handbook on the FSU. The studies have been prepared by Bank staff and consultants and issued by the Bank's Europe and Central Asia Region.

The pace of Russia's economic transformation and its fight against poverty depend heavily on the role that women play in the economy, according to one of the new studies, *The Role of Women in Rebuilding the Russian Economy.*

Women make up the majority of Russia's population and labor force, they handle most domestic work and do most of the caretaking for the country's young, old and disabled. By keeping women actively involved in the workplace, Russia's economy can only gain, says the study.

But aside from the economic benefits of women's contributions to the economy, special attention to women is also needed to fight poverty. Because women outnumber men among the unemployed and other groups facing poverty, assistance to women will have a great impact on reducing Russia's level of poverty.

Meanwhile, Russia needs to help its transport system adjust to a market economy, says the new Bank study, *Transport Strategies for the Russian Federation.*

Because Russia's transport system was built for a command economy, it is "ill-suited" for a market system, the study says. The system has also been hurt by Russia's economic woes and the breakup of the FSU. Its financial performance has declined because of dropping demand on the system and rises in fuel prices.

So far, the government has covered the system's losses. But the study says the task of subsidizing the system and paying for unproductive investments could soon become unbearable for the government.

In the face of rapid change, government officials in many FSU countries have made modest progress in changing their statistical systems to match internationally applied norms.

The World Bank's second annual edition of economic statistics of the FSU marks an interim point in that change. Holding a wealth of economic information on the FSU, the *Statistical Handbook 1993: States of the Former USSR*, offers a "snapshot" of the 15 countries in their transition to market economies.

This year's FSU handbook presents a wide range of macroeconomic data, which are drawn from national statistical offices, other government agencies and Bank staff estimates.

The *Statistical Handbook 1993: States of the Former USSR* and *Transport Strategies for the Russian Federation* are each priced at $25.95. *The Role of Women in Rebuilding the Russian Economy* is $6.95. Journalists may receive complimentary review copies of the three studies by writing on company letterhead to the World Bank, Office of the Publisher, Marketing Unit, Room T-8054, Washington, D.C., 20433, U.S.A. Fax: (202) 676-0579.□

WORLD BANK NEWS

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